

# **FISCAL NOTE**

## **SB 2361 - HB 2686**

February 25, 2000

**SUMMARY OF BILL:** Requires an employer to inquire if a new hire is a TennCare enrollee. When an employee is required to pay a premium, the state would issue an administrative order requiring the employer to withhold the premium from the enrollee's wages, and to remit the premium to the state.

### **ESTIMATED FISCAL IMPACT:**

#### **Increase State Expenditures - Net Impact - Exceeds \$100,000**

Assumes a substantial increase in administrative cost to the TennCare Bureau to establish and maintain a system of payroll deductions for TennCare.

The amount of the increase in revenues from greater premium collections cannot be determined but is estimated to be less than the cost to establish and maintain such a system. The TennCare Bureau states that they are currently collecting more than 90% of premiums.

For information purposes, the TennCare Bureau advises that requiring employees who are TennCare enrollees to reveal their status to employers may violate Medicaid confidentiality rules.

### **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

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